

December 1, 2005

Ms. Lenita Jacobs-Simmons
Regional Administrator
U.S. Department of Labor
Employment and Training Administration
The Curtis Center, Suite 825 East
170 S. Independence Mall West
Philadelphia, PA 19106-3315

Bowman
cc: Jacobs-Simmons
ETA Managers
@ 12/1/2005

Dear Ms. Jacobs-Simmons:

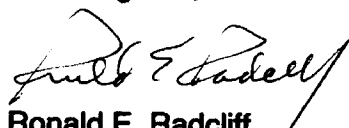
Please find enclosed West Virginia's request for a Common Measures waiver.

West Virginia is committed to substantially improving the integration of case management with its partners. Acceptance of our waiver request will provide us with the leverage to work with all of our partners to focus both on Common Measures and state performance measures.

In anticipation of waiver approval, West Virginia is embarking on a comprehensive and integrated strategic planning endeavor with its Interagency Collaborative Team (ICT) partners. Strategic planning of this nature is intended to, for the first-time, bring all the ICT partners into alignment with a common set of goals and objectives. The end result will be an all encompassing interrelated plan that identifies concrete roles and responsibilities for each partner vis-à-vis the state's comprehensive workforce and economic development plan.

I look forward to your approval of this waiver request and to your participation in the aforementioned strategic planning.

Best Regards,



Ronald E. Radcliff
Executive Director

RER:GG/lm

Enclosure

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L. Thomas Bulla, Cabinet Secretary

State of West Virginia: Request for Waiver

Introduction

West Virginia is seeking a waiver of certain provisions of the requirements of the federal Workforce Investment Act of 1998 ('WIA' or 'the Act'). Sections 136(b)(2) and (c)(1) of the Act, as well as accompanying regulations at 20 CFR 666.100(a) and 666.300(a), specify certain required state and local performance measures for WIA Title IB programs. West Virginia is requesting a waiver of these and any other applicable provisions to the extent necessary to allow the WORKFORCE West Virginia system to forego reporting of these required performance measures and adopt and report the 'Common Measures' for federal job training and employment programs.

A waiver of the use of the currently required performance measures will allow West Virginia to align with the 'Common Measures' developed by the United States Department of Labor (DOL) and facilitate the implementation of new state-developed performance measures. A more detailed description of the goals and benefits of this approach appears later in this waiver request. West Virginia proposes to begin using 'Common Measures' and state level measures as soon as possible during Program Year (PY) 2005 should this waiver request be granted. As noted above, West Virginia wishes to implement additional state level performance measures for workforce investment activities as is currently permitted under the WIA (see, for example, WIA Section 136(b)(2)(C)).

Background

At present, states and local workforce investment boards are subject to seventeen required performance measures for WIA Title IB programs. Tables I and II (attached) summarize the current required measures. While the seventeen required measures for WIA Title IB remain in effect, efforts have been under way for some time at the federal level to develop common performance measures across similar programs. In 2001, the federal government announced a budget and performance integration initiative. As part of this initiative, the federal Office of Management and Budget was charged with developing the aforementioned common performance measures across similar programs. However, each participating federal department has been charged with issuing separate 'Common Measures' guidance. On April 15, 2005, the DOL issued Training and Employment Guidance Letter (TEGL) 28-04, which provided 'Common Measures' definitions for programs such as WIA, Wagner-Peyser, and Trade Adjustment Assistance. These measures reflect the agreed-upon performance measures for federal employment and training programs administered by the DOL, United States Department of Education, and others. Table III (attached) provides more information about the performance measures in the 'Common Measures' system.

While 'Common Measures' requirements have not yet been fully implemented by the DOL, all states are required to implement certain common measure outcome definitions for PY 2005. However, WIA Section 136 continues to require the reporting of the seventeen performance measures prescribed for WIA Title IB programs. Under the proposed waiver, West Virginia hopes to mitigate this potentially confusing reporting system by discontinuing the use of the current seventeen measures and fully implementing the six performance criteria called for under

‘Common Measures’. This initiative will not only simplify reporting for WIA Title IB programs and permit West Virginia to be at the forefront of full ‘Common Measures’ implementation, it will also afford West Virginia the opportunity to implement several state-developed measures intended to encourage and assess full WORKFORCE West Virginia system integration efforts.

West Virginia has identified several objectives under this waiver, including:

- Adopting standardization of participant performance assessment across all DOL and United States Department of Education programs envisioned by ‘Common Measures’;
- Improving one-stop case manager integration through the use of state level performance metrics designed to capture the effectiveness of the WORKFORCE West Virginia system across all partners;
- Establishing feedback mechanisms useful to both management and the public to ensure coordinated, holistic case management and service delivery; and
- Achieving the overarching goal of a fully integrated workforce development system with an unobtrusive data collection process capable of assessing our performance at the system-wide and individual client levels.

A major component of achieving the goals set forth in this waiver request is the work of the Interagency Collaborative Team (ICT). The ICT, codified by the West Virginia Legislature, addresses issues including, but not limited to, integrating case management and facilitating full collaboration within the WORKFORCE West Virginia system. This group is composed of representatives from various state agencies impacting workforce development, such as the following:

- WORKFORCE West Virginia (WIA, Wagner-Peyser, Trade Adjustment Assistance, Veterans, Migrant and Seasonal Farmworkers, and state-funded employer programs such as House Bill 3009 grants and the Governor’s Guaranteed Workforce Program);
- Department of Health and Human Resources (TANF, Food Stamp Employment and Training, Welfare to Work programs);
- Department of Education (adult education, Perkins vocational education, juvenile detention and training programs);
- Higher Education Policy Commission (public two and four year and vocational/technical degree programs);
- Bureau of Senior Services (Title V employment programs);
- Department of Education and the Arts (Rehabilitation Services programs); and
- Division of Corrections (integration of ex-offenders).

WORKFORCE West Virginia and its ICT partners are committed to building a workforce development system capable of supplying a skilled, educated workforce while proactively assessing and preparing for the needs of businesses. One means of attaining these goals is the use of evaluation and assessment metrics to monitor and report on both the level of integration and the impact on West Virginia's economy and workforce. Thus, in addition to the 'Common Measures', ICT members endorse a set of measures that will:

- track the outcomes of individual job seekers and businesses using the WORKFORCE West Virginia system;
- focus attention on critical success factors which will enable programmatic changes to improve performance; and
- allow WORKFORCE West Virginia to establish current baseline performance and communicate progress against stated goals and objectives.

Table IV (attached) describes in some detail the state-level indicators to be adopted in conjunction with 'Common Measures' implementation.

Specific Information Regarding the Requested Waiver

Section 189(i)(4) of the WIA permits a state to seek waivers of statutory or regulatory requirements, as well as setting forth what information must be provided in seeking such a waiver. The following information is provided in accordance with Section 189(i)(4) and the accompanying regulations at 20 CFR 661.420.

Statutory or Regulatory Requirements for Which a Waiver is Requested

WIA Sections 136(b)(2) and (c)(1), along with accompanying regulations at 20 CFR 666.100(a) and 666.300(a) specify the state and local performance measures currently required for WIA Title IB programs.

Actions Taken by the State to Remove State or Local Statutory or Regulatory Barriers

This waiver seeks only to allow West Virginia to forego the seventeen performance measures currently mandated for states and local areas under the federal WIA. West Virginia would adopt the 'Common Measures' of performance for applicable programs as defined by the DOL in TEGL 28-04. West Virginia would also continue to identify and implement additional performance measures for workforce investment activities as permitted under the WIA (see WIA Section 136(b)(2)(C)). Nothing in this waiver is intended to prevent the State or any local workforce board from implementing additional measures to assess performance. Therefore, there are no known state or local barriers to implementation of the matters addressed in this waiver. The only known barriers are federal in nature as described in this waiver request.

Goals to be Achieved by the Waiver and Expected Programmatic Outcomes

The requested waiver would allow West Virginia to shift its WIA Title IB performance reporting from the currently-required seventeen measures to the six standards set forth under 'Common

Measures' while incorporating an additional set of state-developed performance measures. The key elements of this initiative include:

- Combining performance measurement for clients served in the Adult and Dislocated Worker funding streams;
- Using a single set of measures for clients served in the Youth funding stream, thus eliminating Older Youth as a population for the purpose of performance measurement;
- Eliminating the credential measure for Adults and Dislocated Worker clients;
- Eliminating the Skill Attainment measure for Out of School Youth;
- Eliminating the current Customer Satisfaction measurement system required by the DOL; and
- Including the state-level performance indicators described in Table IV (attached).

One of the primary goals espoused by West Virginia in its approved five-year plan for workforce investment is the continuous improvement of the WORKFORCE West Virginia system through consolidation of services, elimination of duplication, reduction of barriers, and elimination of programmatic silos so as to allow for the most efficient, effective use of resources. State and local workforce development partners have indicated the numerous and varying performance measures attached to different programs tend to create frustration over conflicting and confusing data collection requirements and performance directives. In addition, the current performance measures for WIA programs do little to describe the degree of coordination, collaboration, and effectiveness of workforce development endeavors. Elimination of the seventeen required WIA performance measures, coupled with adoption of 'Common Measures' and the new state-developed measures will improve the likelihood that West Virginia will be successful in enhancing programmatic consolidation and barrier reduction by allowing multiple programs to utilize the same performance measures.

It is believed case management, customer service, and operational effectiveness will ultimately be enhanced with the granting of the requested waiver. Anticipated advances will be achieved through:

- Simplification of case management through reduction of the number of different performance outcomes;
- Removal of conflicting performance measures which may serve to confuse case managers and/or serve as a disincentive to integrated case management;
- Facilitation of truly integrated case management across programs; and
- Greater emphasis on integrated system wide performance metrics.

It is expected the adoption of 'Common Measures' and state level measures will ultimately lead to enhanced performance outcomes for WIA Title IB and other programs that become involved

in the 'Common Measures system due to factors including, but not limited to, enhanced case management opportunities facilitated by this new performance system. Additionally, while perhaps not reflected in any particular performance measure or outcome, the 'Common Measures' system is also likely to result in more efficient, effective customer service and customer flow among partner agencies.

It should be noted the adoption of 'Common Measures' may temporarily reduce West Virginia's performance levels due to inclusion of all youth customers (including those in secondary school) in both the placement measure and the measure regarding attainment of a high school diploma, GED, or certificate. Additionally, the definition of *certificate* is tightened under the 'Common Measures' approach and no longer includes certificates issued by a local workforce board or those awarded in recognition of only generic pre-employment work readiness skills. The WORKFORCE West Virginia system, including local boards and service providers, must continue to adapt policies and practices in concert with the requirements of the 'Common Measures' approach.

Description of Individuals Impacted by the Waiver

The waiver may potentially impact all customers of the WORKFORCE West Virginia system. Customers from any program that becomes a part of the 'Common Measures' process will be impacted. However, it is believed the impact will be positive as 'stove piped' programmatic accountability will be reduced as a barrier to service and integrated case management is encouraged. WORKFORCE West Virginia partners, including agencies and service providers, may also be impacted by the change in requirements. However, as previously noted, it is expected that the impact will ultimately be of a positive nature.

Oversight of Implementation of the Waiver Request

Monitoring the Progress of Waiver Implementation

The WORKFORCE West Virginia Division of the Bureau of Commerce houses the state entities responsible for multiple DOL-based programs such as WIA Title IB, Trade Adjustment Assistance and Wagner-Peyser. WORKFORCE West Virginia also houses the West Virginia MACC system, a real time, integrated case management and reporting system currently used by the programs within the WORKFORCE West Virginia Division. Thus, the WORKFORCE West Virginia Division will assume the lead role in monitoring the implementation of any impact caused by the requested waiver.

The West Virginia MACC currently tracks services and outcomes and provides reporting for the WIA Title IB, Wagner-Peyser, Trade Adjustment Assistance, Veterans, and Migrant and Seasonal Farmworker programs. West Virginia MACC is configured to be fully operational for the implementation of 'Common Measures' data collection and reporting, including the new Youth numeracy and literacy gains. Training has and will continue to be provided to case managers and other staff so both the people and the technology of the WORKFORCE West Virginia system will be as prepared as possible for the transition to 'Common Measures'.

West Virginia MACC will play a primary role in monitoring the progress of waiver implementation by providing a means for reports on the impact on the number of individuals

served and the performance results achieved following the adoption of ‘Common Measures’ and state-developed performance criteria. It is also important to note West Virginia MACC is integrated with other partner systems (e.g., Rehabilitation Services, K-12 education, and Adult Basic Education). This integration enables West Virginia to monitor and report the ‘Common Measures’ and state-developed measures, as well as allowing the system to track and manage interagency referral activity. Thus, any participating partner can use the system to make, track, and conclude any referrals made between agencies. Participating agencies include ICT members as well as many non-mandated partners relied upon for core services in the WORKFORCE West Virginia system.

WORKFORCE West Virginia staff will also monitor the implementation of the waiver through feedback from the local level. Local case management staff and others will be looked to for feedback and asked to discuss issues related to the ‘Common Measures’ process. Other venues will also be used to address issues arising from the implementation process. These venues include monthly meetings between WORKFORCE West Virginia staff and local workforce board directors and the monthly meetings of the state-level partners via the ICT. Quarterly meetings of the West Virginia Workforce Investment Council, as well as intervening committee meetings will also serve as opportunities to address implementation issues.

Providing Notice to Local Boards Impacted by the Waiver

The proposed waiver would impact all local workforce boards in West Virginia. Therefore, WORKFORCE West Virginia staff with expertise in ‘Common Measures’ and performance has met with local board executive directors to discuss the concept and receive feedback from the local perspective. Local boards and individual members will also have the opportunity to comment as part of the public comment period for this proposed waiver request.

Process for Meaningful Public Comment

In an effort to provide the broadest possible level of input, the State will place notices in various newspapers throughout the state advising of the opportunity to comment on the proposed waiver. Additionally, interested parties such as local board members, local elected officials, service providers, and members of the West Virginia Workforce Investment Council (including representatives of business and labor) will be advised of this opportunity to comment. Following the close of a thirty day public comment period, written comments will be evaluated and incorporated into the final draft of the waiver request as deemed necessary and appropriate.

Conclusion

It appears to be in the best interest of West Virginia and its citizens to seek a waiver of the current required performance measures for WIA Title IB programs. This will allow the state to adopt the ‘Common Measures’ developed by the DOL and apply these measures across a number of training programs. It is believed this approach will ultimately yield improved case management and coordination across multiple programs, as well as resulting in improved performance and enhanced customer service.

Table I: Current Performance Measures Under Workforce Investment Act Title 1B

Program	Performance Measures	Total Measures
Adults	Entered Employment, Employment Retention, Wage Gain and Employment with a Credential	4
Dislocated Workers	Entered Employment, Employment Retention, Wage Gain and Employment with a Credential	4
Older Youth	Entered Employment, Employment Retention, Wage Gain and Employment with a Credential	4
Younger Youth	Skill Attainment; Attainment of a Diploma or GED; Retention in Employment, Post Secondary Education, or the military	3
Across All Programs	Customer Satisfaction, Job Seeker and Employer	2
Total Performance Measures		17

Table II: Current WIA Title 1B Performance Measures (excluding customer satisfaction)

Adult Measures

Entered Employment Rate

Of those not employed at registration:

employed 1st qtr
who exit during qtr

Earnings Change

Of those employed 1st quarter:

(earnings qtrs 2&3 after exit) - (earnings qtrs 2&3 prior to registration)
who exit during qtr

Employment Retention Rate

Of those employed 1st quarter:

employed 3rd qtr
who exit during qtr

Employment "AND" Credential Rate

Of those who received training services:

employed 1st qtr "AND" received credential by end of 3rd qtr
who exit during qtr

Dislocated Worker Measures

Entered Employment Rate

employed 1st qtr
who exit during qtr

Earnings Replacement Rate

Of those employed 1st quarter:

earnings qtrs 2&3 after exit
earnings qtrs 2&3 prior to dislocation

Employment Retention Rate

Of those employed 1st quarter:

employed 3rd qtr
who exit during qtr

Employment "AND" Credential Rate

Of those who received training services:

employed 1st qtr "AND" received credential by end 3rd qtr
who exit during qtr

Older Youth (age 19-21) Measures

Entered Employment Rate

Of those not employed at registration "AND" not in post-secondary/advanced training in 1st quarter after exit:

employed 1st qtr
who exit during qtr

Employment Retention Rate

Of those not employed at registration "AND" not in post-secondary/advanced training in the 3rd qtr:

employed 3rd qtr
who exit during qtr

Earnings Change

Of those employed 1st qtr "AND" not in post-secondary/advanced training in 3rd quarter:

(earnings qtrs 2&3 after exit) - (earnings qtrs 2&3 prior to registration)
who exit during qtr

Credential Rate

in employment, post-secondary/advanced training in the 1st qtr "AND" received credential by end of 3rd qtr
who exit during qtr

Younger Youth (age 14-18) Measures

Skill Attainment Rate

Of all in-school youth and any out-of-school youth assessed to be in need of basic skills, work readiness skills, and/or occupational skills:

Total # of attained basic skills + # of attained work readiness skills + # of attained occupational skills
Total # of basic skills goals + # of work readiness goals + # of occupational goals

Diploma or Equivalent Attainment Rate

Of those who register without a diploma or equivalent:

who attain diploma or equivalent by end of 1st qtr
who exit during qtr (except those still in secondary school at exit)

Retention Rate

found in post-secondary, advanced training, employment, military or qualified apprenticeships in the 3rd qtr after exit
who exit during qtr (except those still in secondary school at exit)

Table III: Common Performance Measures

Program	Performance Measures	Total Measures
Adults (Including Wagner-Peyser) & Dislocated Workers	Entered Employment; Employment Retention; Six Month Wage Gain	3
Youth	Placement in Post-Secondary Education, Employment or in the Military; Attainment of a Diploma or Credential; Literacy & Numeracy Gain for Basic Skills Deficient Out of School Youth	3
Total Measures		6

Table IV: State-Developed Measures

1. TANF participant entered employment rate
 - a. Denominator
Unique count of TANF participants referred to Job Service during the reporting period
 - b. Numerator
Unique count of TANF participants referred to Job Service whose cases are closed due to earnings
2. TANF participant wage gain
 - a. Denominator
Wages of TANF participants 2nd and 3rd quarters prior to most recent TANF participation period and who have been referred to Job Service and who have entered employment
 - b. Numerator
Wages of TANF participants in the 2nd and 3rd quarters following exit from WORKFORCE West Virginia
3. Adult Basic Education (ABE) Employment Rate
 - a. Denominator
Unique count of ABE participants referred to Job Service for placement during the period
 - b. Numerator
Unique count of ABE participants placed in jobs during the reporting period
4. Job Service and WIA referrals to ABE
 - a. Denominator
Unique count of WIA, W.P., or TAA participants referred to ABE during the reporting period
 - b. Numerator
Unique count of individuals from the denominator above who successfully completed a GED during the reporting period
5. Job Service, WIA and Trade referrals to Division of Rehabilitation Services (DRS)
 - a. Denominator

- Unique count of WIA, W.P., or TAA participants referred to DRS during the reporting period
- b. Numerator
Unique count of individuals from the denominator above who successfully completed DRS services (DRS level 26 or above) during the reporting period
- 6. DRS referrals to Job Service for placement
 - a. Denominator
Unique count of DRS participants referred to Job Service for placement for WIA for training during the reporting period
 - b. Numerator
Unique count of those in the denominator above who were either placed in a job or completed training during the reporting period
- 7. Number of job openings/placements in targeted industry clusters over time
 - a. Number of new openings in targeted industry clusters by quarter
 - b. Successful referral to placement ratio by targeted industry cluster
- 8. Number of incumbent workers training within target industry cluster
 - a. Retention ratio of trained incumbent workers by industry cluster
 - b. Retention ratio of employees given customized training by industry cluster
 - c. Number of degrees, credentials, certificates awarded to employees by industry cluster
- 9. Number of job openings with benefits by industry cluster
 - a. Number of placements into positions with benefits by industry cluster
- 10. Quality of the workforce
 - a. Percentage of employees/applicants assessed with Grade Equivalency Scores greater than 8, 9, 10, etc....
- 11. Number of training courses offering Pell or other financial assistance
 - a. Ratio of ITAs and trainings funded with financial assistance versus those without financial assistance